

SENATE BILL 244

C5
SB 942/10 – FIN

11r2046
CF HB 597

By: ~~Senators Pugh and Stone~~, Stone, Jones-Rodwell, Garagiola, Klausmeier,
and Mathias

Introduced and read first time: January 28, 2011

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 24, 2011

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Customer Education on Customer Choice**

3 FOR the purpose of requiring the Public Service Commission to educate consumers
4 about customer choice in accordance with a certain provision of law; requiring
5 the Commission to host a certain section on its Web site related to customer
6 choice; requiring the Web site to comply with certain standards and to include
7 certain information; requiring the Commission to maintain a certain secure
8 portal on its Web site to receive certain information from certain electricity
9 suppliers; requiring certain electricity suppliers to submit certain information
10 to the Commission through the secure portal at certain intervals; requiring the
11 Commission to work with certain media outlets to develop and air certain public
12 service announcements related to customer choice; requiring the Commission to
13 recover certain costs in accordance with a certain provision of law; requiring the
14 Commission to submit a certain report to the General Assembly each year by a
15 certain date; requiring the Commission to convene a certain workgroup for a
16 certain purpose; providing for the membership and duties of the workgroup;
17 requiring the workgroup to report to the Commission and certain committees by
18 a certain date; requiring the Commission to ~~implement~~ take action on certain
19 recommendations ~~by a certain date~~ as soon as practicable; and generally
20 relating to customer choice.

21 BY repealing and reenacting, without amendments,

22 Article – Public Utilities

23 Section 7–504 and 7–505(a)(1)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2010 Replacement Volume)

3 BY adding to
4 Article – Public Utilities
5 Section 7–510.1
6 Annotated Code of Maryland
7 (2010 Replacement Volume)

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
9 MARYLAND, That the Laws of Maryland read as follows:

10 **Article – Public Utilities**

11 7–504.

12 The General Assembly finds and declares that the purpose of this subtitle is to:

13 (1) establish customer choice of electricity supply and electricity
14 supply services;

15 (2) create competitive retail electricity supply and electricity supply
16 services markets;

17 (3) deregulate the generation, supply, and pricing of electricity;

18 (4) provide economic benefits for all customer classes; and

19 (5) ensure compliance with federal and State environmental
20 standards.

21 7–505.

22 (a) (1) In assessing and approving each electric company’s restructuring
23 plan, and overseeing the transition process and regulation of the restructured electric
24 industry, the Commission shall provide that the transition to a competitive electricity
25 supply and electricity supply services market shall be orderly, maintain electric
26 system reliability, and ensure compliance with federal and State environmental
27 regulations, be fair to customers, electric company investors, customers of municipal
28 electric utilities, electric companies, and electricity suppliers, and provide economic
29 benefits to all customer classes.

30 **7–510.1.**

31 **(A) THE COMMISSION SHALL EDUCATE CUSTOMERS ABOUT CUSTOMER**
32 **CHOICE IN ACCORDANCE WITH THIS SECTION.**

1 **(B) (1) THE COMMISSION SHALL:**

2 **(I) HOST AND REGULARLY UPDATE A USER-FRIENDLY**
3 **CUSTOMER CHOICE EDUCATION SECTION ON ITS WEB SITE THAT COMPLIES**
4 **WITH STANDARDS ISSUED UNDER § 508 OF THE FEDERAL REHABILITATION ACT**
5 **OF 1973; AND**

6 **(II) PROMINENTLY DISPLAY A LINK TO THAT SECTION OF**
7 **THE COMMISSION'S WEB SITE ON THE HOME PAGE OF THE COMMISSION'S WEB**
8 **SITE.**

9 **(2) THE CUSTOMER CHOICE EDUCATION SECTION OF THE**
10 **COMMISSION'S WEB SITE SHALL INCLUDE:**

11 **(I) A CLEAR AND SIMPLE DESCRIPTION OF:**

- 12 **1. CUSTOMER CHOICE;**
- 13 **2. HOW CUSTOMERS CAN SHOP FOR AN ELECTRICITY**
14 **SUPPLIER;**
- 15 **3. WHAT KINDS OF COMPETITIVE ELECTRICITY**
16 **SUPPLY OPTIONS CUSTOMERS HAVE, INCLUDING:**
- 17 **A. RENEWABLE ENERGY SUPPLY;**
- 18 **B. FIXED AND VARIABLE PRICING; AND**
- 19 **C. OTHER COMMON CONTRACT TERMS;**
- 20 **4. THE CURRENT PRICE OF STANDARD OFFER**
21 **SERVICE IN THE SERVICE TERRITORY OF EACH ELECTRIC COMPANY; AND**
- 22 **5. THE CONTINUING ROLE OF THE ELECTRIC**
23 **COMPANY IN DELIVERING ELECTRICITY TO A CUSTOMER THAT CHOOSES AN**
24 **ELECTRICITY SUPPLIER;**

25 **(II) FACT SHEETS THAT:**

- 26 **1. ANSWER COMMON QUESTIONS ABOUT CUSTOMER**
27 **CHOICE;**
- 28 **2. ADVISE CUSTOMERS ABOUT THE QUESTIONS**
29 **CUSTOMERS SHOULD ASK WHEN CHOOSING AN ELECTRICITY SUPPLIER; AND**

1 3. LIST THE KINDS OF DISCLOSURES THAT
2 ELECTRICITY SUPPLIERS MUST MAKE TO CUSTOMERS; ~~AND~~

3 (III) A LIST OF ALL ELECTRICITY SUPPLIERS THAT HAVE
4 OPEN OFFERS TO SUPPLY ELECTRICITY IN A CUSTOMER'S SERVICE AREA,
5 SEARCHABLE BY SERVICE TERRITORY OR JURISDICTION; AND

6 (IV) A STATEMENT INDICATING THAT CUSTOMERS WHO
7 HAVE ENTERED INTO A CONTRACT WITH A COMPETITIVE ELECTRICITY
8 SUPPLIER FOR ELECTRICITY SUPPLY SHOULD BE AWARE OF THE ENDING DATE
9 OF THE CONTRACT SO THAT THEY MAY DETERMINE, BEFORE BEING PLACED
10 INTO A RENEWAL CONTRACT WITH THE CURRENT ELECTRICITY SUPPLIER,
11 WHETHER THEY WOULD LIKE TO:

12 1. SHOP FOR AN ALTERNATIVE ELECTRICITY
13 SUPPLIER;

14 2. RENEW WITH THE CURRENT ELECTRICITY
15 SUPPLIER; OR

16 3. RETURN TO THE STANDARD OFFER SERVICE
17 WHICH MAY BE OFFERED AT A PRICE THAT IS LESS THAN THE RENEWAL PRICE
18 OFFERED BY THE CURRENT ELECTRICITY SUPPLIER.

19 (3) TO THE EXTENT PRACTICABLE, THE LIST OF ELECTRICITY
20 SUPPLIERS REQUIRED UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION SHALL
21 INCLUDE:

22 (I) THE TERMS OF ANY OPEN OFFERS TO SUPPLY
23 ELECTRICITY, INCLUDING:

24 1. THE DURATION OF THE CONTRACT;

25 2. THE COST OF ELECTRICITY PER KILOWATT-HOUR;

26 AND

27 3. ANY CANCELLATION FEES; AND

28 (II) A LINK TO THE WEB SITE OF EACH ELECTRICITY
29 SUPPLIER WITH AN OPEN OFFER TO SUPPLY ELECTRICITY.

30 (C) (1) TO ENSURE THE CURRENCY AND ACCURACY OF INFORMATION
31 REQUIRED UNDER SUBSECTION (B)(2)(III) OF THIS SECTION, THE COMMISSION
32 SHALL MAINTAIN A SECURE PORTAL ON ITS WEB SITE TO RECEIVE

1 INFORMATION ABOUT OFFERS TO SUPPLY ELECTRICITY FROM ELECTRICITY
2 SUPPLIERS.

3 (2) AT LEAST ONCE EACH MONTH, EACH ELECTRICITY SUPPLIER
4 WITH AN OPEN OFFER TO SUPPLY ELECTRICITY SHALL SUBMIT DETAILED
5 INFORMATION ABOUT THE OFFER TO THE COMMISSION THROUGH A SECURE
6 PORTAL MAINTAINED BY THE COMMISSION ON THE COMMISSION'S WEB SITE
7 FOR THIS PURPOSE.

8 (D) THE COMMISSION SHALL WORK WITH MEDIA OUTLETS IN THE
9 STATE TO DEVELOP AND AIR PUBLIC SERVICE ANNOUNCEMENTS PUBLICIZING
10 CUSTOMER CHOICE AND DIRECTING CUSTOMERS TO THE COMMISSION'S WEB
11 SITE FOR ADDITIONAL INFORMATION.

12 (E) THE COMMISSION SHALL RECOVER THE COST OF COMPLYING WITH
13 THIS SECTION IN ACCORDANCE WITH § 2-110 OF THIS ARTICLE.

14 (F) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE COMMISSION
15 SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT
16 ARTICLE, TO THE GENERAL ASSEMBLY ON THE STATUS AND SUCCESS OF THE
17 COMMISSION'S EFFORTS TO EDUCATE CUSTOMERS ABOUT CUSTOMER CHOICE
18 UNDER THIS SECTION.

19 SECTION 2. AND BE IT FURTHER ENACTED, That:

20 (a) On or before July 1, 2011, the Public Service Commission shall convene a
21 workgroup of interested parties to advise it on improvements to the Commission's Web
22 site information and presentation concerning customer choice as required by this Act,
23 and on additional information and methods of consumer education that can effectively
24 supplement the requirements of this Act.

25 (b) The membership of the workgroup described under subsection (a) of this
26 section shall be appointed by the Public Service Commission and include:

27 (1) the Attorney General or the Attorney General's designee;

28 (2) the Secretary of Disabilities or the Secretary's designee;

29 (3) the People's Counsel or the People's Counsel's designee;

30 (4) the Director of the Maryland Energy Administration or the
31 Director's designee;

32 (5) appropriate staff of the Public Service Commission;

1 (6) a representative of each electric company;

2 (7) at least one representative of electricity suppliers serving
3 residential customers in the State;

4 (8) a representative of the Retail Energy Supply Association;

5 (9) a Web site design specialist;

6 (10) an educational production and publication consultant;

7 (11) representatives of residential and small commercial retail electric
8 customers; and

9 (12) any other individuals whom the Public Service Commission
10 considers necessary or appropriate to the charge of the workgroup.

11 (c) The workgroup shall:

12 (1) study issues relating to:

13 (i) development and improvement of materials concerning
14 customer choice on the Commission's Web site; and

15 (ii) options and recommendations for development of a customer
16 education program by public units and private entities that will provide pertinent
17 factual information to the public on the availability of customer choice, especially to
18 customer classes that largely rely on standard offer service and to groups that may not
19 adequately be able to rely on Web site-based sources of information on customer
20 choice such as senior citizens and individuals with certain disabilities, and additional
21 questions and issues that switching to or among competitive suppliers may present;

22 (2) develop recommendations for implementing suggested changes,
23 new materials, and public outreach, including as appropriate a schedule for
24 developing, funding, and deploying customer education and materials on customer
25 choice; and

26 (3) on or before December 31, 2011, report its recommendations to the
27 Commission and, in accordance with § 2-1246 of the State Government Article, the
28 Senate Finance Committee and the House Economic Matters Committee.

29 (d) ~~On or before March 31, 2012~~ As soon as practicable, the Commission shall
30 ~~implement~~ take action on the recommendations of the workgroup.

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 June 1, 2011.